



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

August 25, 2008

Herb Hite, President and General Manager  
MICE DisplayWorks  
6489 Oak Canyon  
Irvine, CA 92618

Dear Mr. Hite:

RE: **FINAL MONITORING REPORT** for MICE DisplayWorks (DisplayWorks) – ET07-0119

<b>Date of the Visit:</b>	07/24/08
<b>Beginning/Ending Time:</b>	10:30 a.m. – 12:00 p.m.
<b>Date of Last Visit:</b>	02/29/08
<b>Visit Location:</b>	Via Teleconference – Records review completed on 08/22/08
<b>Persons in attendance:</b>	Alice Raymond, Manager, Finance and Administration, DisplayWorks and Carole Robinson, ETP Contract Analyst.
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	08/08/06 – 08/07/08	<b>Agreement Amount:</b>	\$199,728
<b>Training Start Date:</b>	08/21/06	<b>No. to Retain:</b>	146
<b>Date Training must be Completed:</b>	05/06/08	<b>Range of Hours:</b>	24 - 120
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	76

## **FINAL REPORT SUMMARY:**

### • HISTORY OF AGREEMENT CHANGES

The Agreement was executed on 08/25/06 and no revisions were processed. An Assumption of Liability was initiated by the San Diego ETP Field Office on 03/17/08 when the Ms. Robinson

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was informed of a change in company ownership. Ms. Raymond stated that MICE has not received a confirmation, as of the date of this visit, from ETP that the Assumption of Liability has been approved by ETP. Ms. Robinson initiated follow-up with ETP Legal staff, however, to date, a confirmation has not been received.

- **INTERVIEW WITH COMPANY REPRESENTATIVE**

Ms. Raymond reported all training for this Agreement was completed on 05/06/08 and MICE did not experience any difficulties with the administration of this Agreement. As a result of the ETP funded training project, there is great improvement in the communication and cooperation among account managers, engineers, and production staff. She stated that there is an awareness by everyone in the company as to how they represent themselves to others and the tendency for some to “be on a pedestal” has been eliminated. Class/lab training delivered in Continuous Improvement and Manufacturing Skills has led to increased job performance and greater efficiency on the production floor.

Ms. Raymond informed Ms. Robinson that MICE did not earn and retain as many retrainees as projected because the company had to pull trainees from production to attend class. Based on company production demands and project deadlines, not as many retrainees could attend classes and fewer hours of training than anticipated could be delivered. However, Ms. Raymond stated that the company would consider a more conservative ETP Agreement to address any training that MICE may need in the future. Ms. Robinson explained ETP’s Fast Track program for Agreements of \$75,000 or less which Ms. Raymond stated MICE may consider should the need for additional training be established.

**PROJECT STATUS PROVIDED BY THE ADMINISTRATIVE SUBCONTRACTOR:**

Job Number	Number Started Training	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Expected to Complete Minimum Hours	Number of Trainees Expected to Complete all Training (in retention)	Number of Trainees Completed Retention
1	123	155	52	71	-0-	* 71

\* According to ETP records as of the date of this report, MICE will retain 71 retrainees (49%) of the planned retentions. The aforementioned retrainees have completed a total of 4,368 hours of Class/lab training. Based on ETP records, MICE will be eligible for a total reimbursement of \$45,846 (23% of the ETP encumbered funds) if all other conditions of ETP eligibility are met. Current records show that MICE has received \$18,126 in unearned Progress Payments. Ms. Raymond stated that the company will be submitting a closeout invoice no later than 09/07/08.

### **ATTENDANCE ROSTERS/INVOICES/ TRAINING TRACKING RECORDS:**

Ms. Robinson reviewed faxed copies of class/lab attendance rosters for seven randomly selected trainees who are enrolled in Job 1. She compared the rosters to the Agreement's Curriculum and checked to ensure that each roster contained the necessary information required by ETP, under Title 22, California Code of Regulations, 4442. In addition, she compared the number of training hours in MICE's tracking records for the seven retrainees selected with the number of training hours documented on the applicable Class/lab Rosters.

Ms. Robinson found that the records reviewed for the seven selected retrainees contained the necessary information required by ETP and the Class topics matched those contained in the Agreement's Curriculum. The review of the above sample also verified that the hours reported on MICE's tracking records matched those contained within the applicable Class/lab Rosters.

Ms. Robinson noted that four rosters for Product Knowledge between 03/06/08 and 03/27/08 contained signatures for 22 retrainees which exceeded the one trainer to 20 retrainees ETP ratio requirements although (three signatures were crossed out. Ms. Robinson contacted Ms. Carrollynn Henshaw, who represents MICE's administrative subcontractor, National Training Systems (NTS) to inquire about the crossed off signatures. Ms. Henshaw explained that there was confusion regarding these rosters based on a statement by Ms. Raymond initially that there would be a second trainer present or the three retrainees would leave the training session. Since there was not a second trainer signature on the documents when submitted to NTS, Ms. Henshaw assumed these trainees signed the roster but left immediately when a second trainer was not noted in these Class/lab session. Ms. Robinson included the e-mail documentation from Ms. Henshaw in the file for future audit purposes, if needed.

All Invoices submitted as of the date of this visit have been validated in this and previous Monitoring Reports.

### **SUBAGREEMENTS:**

Subsequent to this visit, Ms. Henshaw entered two additional training subcontractors, Creative Software and Vistage International. These vendors delivered Class/lab training in Computer Skills at a cost of \$5,000 for each vendor (\$10,000 total). Ms. Robinson noted that the vendor information for these subagreements had been entered on the Subcontractor List, ETP 100D via ETP's On-line system which indicates both vendor business addresses are within California.

### **AUDIT:**

MICE will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment

- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at [CRobinson@ETP.ca.gov](mailto:CRobinson@ETP.ca.gov) or (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager  
San Diego Field Office



Carole Robinson, Contract Analyst  
San Diego Field Office

cc: Kulbir Mayall, ETP Fiscal Manager  
National training Company  
Master File  
SD Project File

Date report e-mailed to Contractor 08/26/08